

GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Roads and Buildings – Construction of Residential Accommodation for AIS and other officers / Staff at various places of twin cities Hyderabad and Secunderabad under PPP Mode – Administrative Sanction for Rs.20.00 lakhs – Accorded – Orders – Issued.

TRANSPORT, ROADS & BUILDINGS (B.II) DEPARTMENT

G.O.Rt.No. 621

Dated 21st June, 2012
Read the following:-

1. From the Engineer-in-Chief (R&B) Buildings, Hyderabad Letter No.TA9/AEE1/INCAP/2698/2010-1, dt.01.03.2011.
2. From the Vice Chairman & Managing Director (I/c), INCAP, Letter No.INCAP/D/BIDCO/351/2011, dt.01.06.2011.
3. From the Engineer-in-Chief (R&B) Buildings, Hyderabad Letter No.TA9 / AEE1 / INCAP / 2698 / 2010, dt.14.06.2011 and 28.01.2012.
4. From the Vice Chairman & Managing Director (I/c), INCAP, Letter No.INCAP / D / BIDCO / 351 / 2011, dt.11.08.2011 and 17.09.2011 and 05.01.2012.

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ORDER:

In the reference 1st read above the Chief Engineer (R&B) Buildings, Hyderabad has reported that a presentation was made to appraise the current institutional arrangements available in the Buildings of R&B Department and the way forward for improving its structure to handle the challenges ahead by the Chief Engineer (R&B), Buildings on the concepts of Buildings Infrastructure Management in A.P. (BITMAP), Building Development Authority (BIDA) and Building Infrastructure Development Corporation (BIDCO); that after analyzing the options of the Institutional arrangement during the discussions with MD/HMRL, it has emerged that the Corporation under the Companies Act with a strong Board of Directors will be more appropriate for effective management. The Assets of the Government for this purpose need not be transferred to the Corporation at the time of formation and alienation of the assets for development may be done on case to case basis. The Chief engineer (Buildings) has requested the Government to take a view in the mater and direct INCAP to formulate Business model & Articles of Association required for formulation of the Corporation under the Companies Act.

2. In the reference 2nd read above, the Vice Chairman & Managing Director, INCAP, Hyderabad has stated that the INCAP has obtained the basic assets information from the R&B Department and is mobilizing the services of consultants exclusively for undertaking this task to supplement its own resources. INCAP is procuring the services of consultant having experience in dealing with Institutional restructuring and Business planning through least cost method. The INCAP shall coordinate and facilitate this process, by charging a fixed fee of Rs.20.00 lakhs excluding Service Tax to be paid over and above the consultancy charges of the Institutional Business Consultants. The payments to be made to the other agencies, if any including the cost of incorporation of BIDCO and associated expenses, would be invoiced separately as per actuals. The due diligence report would facilitate the Government to take a decision on the formation of the company considering risks and benefits associated with this institutional restructuring. Any suggestions from their end for adding or modifying the tasks and

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scope of work will be discussed during per-bid meeting and incorporated before awarding this work. The VC& MD, INCAP has therefore, requested to release an interim payment of Rs.20.00 lakhs plus service Tax to that Corporation for taking the process forward expeditiously.

3. In the reference 3rd read above the Engineer-in-Chief (R&B) Buildings, Hyderabad has requested to sanction an amount of Rs.20.00 lakhs to make payment to the INCAP as fixed fee for procurement of consultants for management of assets of R&B Department under the following Head of Account:

“2059 – PW (01) – Office Buildings MH (053) – Maintenance & Repairs – SH (04) – Maintenance & Repairs – 270 – Minor Works – 272 – Maintenance.”

4. Government, after careful examination of the matter hereby accord administrative sanction for an amount of Rs.20.00 lakhs (Rupees twenty lakhs only) towards payment to the INCAP as fixed fee for procurement of consultants for management of assets of R&B Department subject to condition that releasing of payment to INCAP only after the entire process of procurement of consultants is completed.

5. The Engineer-in-Chief (R&B) Buildings, Hyderabad shall take necessary action in the matter accordingly.

6. This order issues with the concurrence of Finance Department vide their U.O.No.9956/378/A2/Exp.PW/12, dt.27.04.2012.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

S.P.SINGH
PRINCIPAL SECRETARY TO GOVERNMENT

To
The Engineer-in-Chief (R&B) Buildings, Hyderabad.

Copy:
The Vice Chairman & Managing Director (I/c),
Infrastructure Corporation of AP, LTd.
The P.S. to Minister (Roads & Buildings).
The P.S. to Principal Secretary to Government, TR&B Department.

//FORWARDED :: BY ORDER//

SECTION OFFICER.